

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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March 22, 2001 LB 433

CLERK: Mr. President, Senator Wickersham would move to amend, AM0669. (Legislative Journal page 776.)

SENATOR CUDABACK: Senator Wickersham, you're recognized to open on your amendment.

SENATOR WICKERSHAM: Mr. President, members of the body, I'm...this is the amendment that I intended to offer on General File, but, as is sometimes happen, I was sitting in an airport in Denver trying to get here, rather than being here to attend to business. So hope you don't mind being reminded of a subject matter that you probably didn't want to hear much more about before you made your final decisions. The bill is Senator Landis' bill to provide a credit for businesses who will operate or provide a child-care program for their employees. The credit is a nonrefundable credit that a company or an individual, because there are individuals who could receive some of the credit allocated to them through a partnership or a subchapter S corporation or other means, so you might some of this on an individual's income tax return. They get a credit. Now, if you look at the language of the amendment, I hope it will be clear what the purpose is in the amendment. The amendment is designed to prevent double-dipping. The amendment is designed to prevent double-dipping. Remember, you're a business. What are businesses to do? They deduct all of their business expenses. You get a deduction. You've already had a deduction against income for the expenses of maintaining the child-care center. You've deducted those expenses. It has come off your income. Now, unless we change Senator Landis' bill, you get to the end and you get another tax benefit for exactly the same thing. It's exactly the same thing that you've got a deduction for. Does that sound pretty good? I wish that things happened for me that way, but they generally don't. You don't get twofers. You only get one. You get your deduction or you get your credit. This one says if you've taken the credit that you add the credit back into income so at least we get the income tax dollars that would be the result of that transaction. Now, this is not unprecedented proposal in tax law. I don't know how many of you used to engage in investments where you generated an investment tax credit, in the middle eighties, early...late seventies or early...middle eighties, from the federal government. If you